

March 7, 2008

To: Interested stakeholders in discussions concerning Dungeness Crab management in California

From: David Crabbe, consultant to Environmental Defense Fund

Re: Report on March 3 Crab meeting held in Ukiah

The purpose of this report is to keep all interested crab fishermen up to date on discussions about potential improvements to the management of the crab fishery. Environmental Defense Fund (EDF) hosted a meeting on March 3 in Ukiah, where they invited fishermen as a steering committee to work together to develop language of crab reform legislation, focusing first on a fair and representative process. Please note that although we've made every attempt to be accurate, we welcome input from meeting participants if there are changes that may need to be made to this report to more accurately reflect discussion and decisions that were made at the meeting.

Background and purpose of this meeting:

Where there was agreement after the earlier crab meeting (Feb 13, Ukiah) to work on a two bill approach to crab reform, legislators decided to introduce one senate bill (SB 1690). That bill is being sponsored by EDF, and aims first and foremost to have representatives of the Dungeness crab industry develop a plan for the long-term management of the Dungeness crab fishery.

We recognize how important it is to have fair representation, and for fishermen to feel comfortable that their interests are being represented at meetings like this one. We need to balance that with having a workable number of participants. We consulted at great length with Dungeness crab fishermen throughout the state to ensure that any steering committee would have representation from all ports where Dungeness crab is landed reflecting levels of production, along with representatives from coastwide fishing organizations. The hope is that these representatives will have the responsibility of communicating back with their ports and organizations.

The purpose of this meeting was for the steering committee to review the straw proposal for a crab advisory process, elements of which would be the basis for revised bill language.

Key Outcomes of the meeting:

Discussions at this meeting emphasized that a key concern was and is industry representation – for this steering committee and for the long-term process as a whole. Also made clear was the importance of focusing on process before there can be any effective discussion of management changes in the short term.

In reviewing the straw process proposal, there were some areas of agreement even beyond consensus to break for lunch. First, the steering committee agreed that today's decisions are preliminary. There was also agreement on the following:

- Voting by representatives on the advisory body is by 2/3 majority
- All permitted fishermen can vote for a candidate for the advisory body
- Active fishermen as candidates for seats on advisory body
- Inactive could be zero deliveries
- Steering committee will discuss the following proposed # of industry seats for an advisory body among their ports (based on estimate of 1 seat per 25 [active] permits):

Crescent City – 4

Trinidad – 1

Eureka – 2

Ft. Bragg – 2

Bodega Bay – 2

San Francisco – 2

Half Moon Bay – 2

South – 1

Some more comfortable if “South” is 0 seats; or if there is some rep for out of state boats

There were also many elements of the straw process proposal that require more discussion.

The One Bill

- SB 1690 – placeholder, can be edited but will continue to focus on process. There is a strong need to work on process. If process can be worked out, then steering committee can agree to discuss short-term options (no default short-term).
- Legislative timeline needed
- By April, draft language needed

Next steps:

- EDF to circulate notes and meeting comments to straw process proposal
- Steering committee to discuss amongst ports
- Potential meeting with Senator Wiggins’ staff member Brett during the PFMC meeting in Sacramento next week (tentative date: Wed 3/12)
- Next meeting: week of March 17 (tentative date: Thurs 3/20)

Data needs

- Breakdown of landings activity/ value aggregate by port
- # landings by Non Resident permits
- Research on other industry advisory processes (fishery and other industry)

Meeting notes

Participants

Aaron Newman	Kenny Graves
Billy Debacker	Larry Collins (Duck)
Bret Fahning	Mike Cunningham
Chris Lawson	Mike McHenry
Craig Goucher	Paul Wedell
Geoff Bettencourt	Pete Leipzig
Gerry Hemmingson	Tommy Ancona
John Tarentino	Vince Doyle
John Yearwood (Buzz)	Zeke Grader

General remarks before review of straw proposal (below)

- Establish a process to determine what majority of harvesting industry wants; what does each permit holder want (i.e. some not interested in more regulation)
- Speaking for some or parts of some ports, 'zero to none' want some management changes; feels like things are being fast tracked
- But ports seemingly split in some cases – one meeting in Ft. Bragg saw about 27 permit holders that wanted management changes, a few didn't, a few had no comment
- On topic of representing ports, some mainly here to listen and report back
- North – 67% of the production from 3 ports
- Here for a discussion of a fair process
- What is in the one bill?
- Economic not resource issue, and fair representation critical; the North will bear burden (if landings tax) of new regulations
- Careful of assumption that it's definitely going to be a landings tax to fund things, not permit-based or some other mechanism
- Industry has shifted towards large-scale producers but still smaller production

Break to resolve the 'legislation process question'

Launched into review of straw process proposal by talking about definition of 'active permit'

Straw Proposal – notes from March 3 meeting in bold

- I. **GOAL: To get industry input and support for a long-term advisory process, for Dungeness crab management that will be contained in legislation.**
- II. Steps and timeframe for design of the process

We propose the following steps in order for crab industry representatives to help design the longer term process, representation, and governance framework that will be contained in legislation. This 'process within a process' seems the best way to

both incorporate representative industry while also meeting California Legislative timeframes.

1. Convene a steering committee that has statewide harvest industry representation based on home port, activity level, and production in the fishery
2. The steering committee will deliberate and make recommendations on process design and structure to write into legislation. This will likely require a series of meetings. The steering committee should address how to comment on drafts of legislation to move forward effectively.
3. The below (part III) is an initial list of elements likely to be considered by the steering committee for the longer term process.
4. Once agreement is reached on process language, the steering committee may discuss and make recommendations on short-term management reforms
5. Lessons from steering committee process will be incorporated into formal Crab Advisory Body design.

III. Structure: Proposed elements of an Advisory Body

Rationale – Each category below contains important elements of the advisory process that need to be reviewed by industry representatives before incorporating into legislation. Within each category are elements that need to be worked out, with examples where possible. There is room to add to this structure if there are missing components or elements.

A. Industry representation criteria – approx 16 total seats

Representation has been clearly identified as being crucial to success.

- i. Ports – 8 statewide (Crescent City, Trinidad, Eureka, Ft Bragg, Bodega Bay, San Francisco, Half Moon Bay, Monterey)

Some dispute about seats for areas south of Half Moon Bay

- ii. Activity – Landings made for some determined window (i.e. above to be determined minimum for 4/5 past seasons)

See notes below

- iii. Scope – e.g. 1 seat for every 25 active permits in a port

Still the working estimate to determine numbers of seats

- iv. Production – 1 person each for *active* high and low producers (find midpoint of production, average past 5 years, then assign whoever above it as ‘high’ and whoever below it as ‘low’)

See notes below

- v. Out of state boats?

Mixed reception to out of state boats having some or full voting representation – needs more discussion

- vi. Processor representation?

Some suggested processor representation – also needs more discussion

Notes

- **Could be fine line between active and inactive**

- **Importance of appeals process**
- **Consideration for the future; potential for new entrants**
- **Reminder that this is for purposes of representation, not fishing regulations**
- **What about 10000 pounds landed over past 3 years?**
- **Some suggest numbers more like 15000, 20000, 50000**
- **Is everyone paying the permit fee active?**
- **What about a consideration for length of time in fishery?**
- **What about activity by # of landings for a certain period of time, no matter the poundage?**
- **Politically, should be as inclusive and simplified as possible**
- **Lots of discussion about production level and representation**

[Data estimates – for 02-05, 138 permittees under the 10K/3 years; about half of these were under 1000; about 50 had almost zero pounds suggesting an estimate of about 180 ‘latent’ permits]

B. Non-industry representation criteria – 2 - 3 total seats

i. Department – Staff member with active knowledge of crab fishery

DFG – yes, absolutely – non-voting

- **Advisory capacity important**
 - **Hands-on experience with the fishery; and policy expertise – both useful**
- ii. Academic – appointed

Scientist – as needed – advisory resource

- **No current conservation issues**
 - **Sea Grant staff may be ideal**
- iii. NGO – appointed

NGO – yes – non-voting

iv. Other?

C. Selection, Nomination, and Election

i. Term of appointment and re-election?

Ability to re-elect (or un-elect) important

Rotation suggested to keep momentum

Suggested 3-year terms; staggered elections 1/3 of positions at a time; with alternates chosen by those elected, with approval by body

ii. Association leaders

Probably an advisory, non-voting role only

iii. Nominations by port of individuals that fit criteria above?

iv. List all industry individuals that meet criteria above?

v. Or use criteria above if a port cannot self-select with majority vote?

vi. Secret ballot mailed to permit holder for mail-in with deadline

vii. If non-industry representation; election or appointed by elected industry? Or appointed by managing body?

D. Meeting Procedures

- i. Frequency – e.g. once per year
- ii. Locations – e.g. a rotating location biannually
- iii. Meeting rules and process

E. Voting

- i. What majority is needed to pass? For example, 2/3 majority needed for a major issue to pass Advisory Body; 50+1 majority vote for minor issues [*A major issue is one which could or will affect the economic well-being of individuals. A minor issue, for example, could be time and place of next meeting.*]

2/3 majority vote

- **Some discussion about whether legislation should direct advisory body to give deference in voting to area-specific management changes – more disputed than 2/3; this idea could be discussed further by steering committee or decided by advisory body or abandoned**

- ii. Non-industry votes?

See above on non-industry representation; these seats would likely be advisory role only

F. Formalizing Advisory Body

- i. Recommendations to Department and/or Fish and Game Commission?
- ii. Recommendations to Legislature?
- iii. Funding (e.g. AB1280, OPC, state/industry combination, other)

Mentioned but little discussion:

- **Length of advisory body – will it be a permanent standing committee?**
- **Authority of advisory body?**